

POWERING AFRICA, BEYOND THE GRID

Hundreds of millions of people in sub-Saharan Africa live without access to electricity. Power Africa aims to double access to electricity by enabling 60 million new electricity connections for homes and businesses. To reach this ambitious goal, Power Africa launched *Beyond the Grid*, a sub-initiative focused on investment and growth for off-grid and small-scale energy solutions across sub-Saharan Africa.

The private sector drives *Beyond the Grid*. Power Africa has partnered with more than 40 investors and practitioners, leveraging more than \$1 billion in commitments towards achieving innovative solutions. These financial commitments give Power Africa a tool to achieve our targets, but African governments must do their part. Power Africa is working to ensure that regulatory environments are supportive of off-grid options.

OFF-GRID MARKET SUPPORT

With more than 10 field-based *Beyond the Grid* transaction advisors across Sub Saharan Africa, Power Africa offers a range of on-the-ground support to new market entrants, established firms, and successful companies transitioning to new geographies. This includes assistance navigating regulatory processes, such as business registration and licensing, as well as market intelligence around market demand, business environment, local supply chains, mobile money operators and other private-sector systems that enable off-grid business models.

MOBILIZING FINANCE

Beyond the Grid draws on Power Africa's toolkit of financial resources, including a network of over 130 partners, including 50 focused on *Beyond the Grid*, to source funding for off-grid power providers at all stages of development. For example, *Beyond the Grid* has partnered with lenders including Ceniarth on a \$75 million loan guarantee for off-grid energy. At early-stage, catalytic grant funding is provided through a variety of mechanisms, including the U.S. Trade and Development Agency (USTDA) and the U.S. African Development Foundation (USADF). In 2016 alone, the USADF, USAID and General Electric funded more than 30 entrepreneurs working on home and micro-grid energy projects in Africa. In March 2016, Sweden & Power Africa launched the *Beyond the Grid* Fund for Zambia utilizing up to €20 million between 2016-2018 to support rural energy providers with market-based approaches to expanding energy access, with the goal of providing access to 1 million people.

ENABLING ENVIRONMENT

Clear regulatory and legal environments are fundamental to the success of any industry; *Beyond the Grid* advises governments on best practices in the development of key policies to enable growth in the off-grid sector. This type of support has included partnering with the Kenya Ministry of Energy & Petroleum and Kenya Power to develop the legal and technical frameworks for connecting micro-grids to the central grid. These terms will fit into the ongoing World Bank's Mini-grid Regulatory Framework study.

Beyond the Grid is accelerating off-grid electricity access, focusing on two strategic priorities – household solar and micro-grids – to add 25-30 million new connections by 2030, in support of achieving the overall Power Africa goal of adding 60 million new home and business connections.

- **Scaling up the household solar energy market** by increasing access to financing and providing technical assistance. USAID's Scaling Off-Grid Energy Challenge: A Grand Challenge for Development with founding partners the U.K. Department for International Development and the Shell Foundation, is the flagship activity advancing household solar.
- Striving to identify **scalable micro-grids** that offer opportunities for powering rural communities and industry. Strategic partnerships with the Global Lighting & Energy Access Partnership (Global LEAP) and the National Renewable Energy Laboratory will further implementation of the Quality Assurance Framework for Mini-Grids.



PowerGen micro-grid installed in 2014 in Ololaimutia village in Narok County, Kenya. (Photo credit: Sameer Halai)

THE POWER AFRICA BEYOND THE GRID TOOLBOX

Power Africa's growing toolbox offers a number of technical resources to *Beyond the Grid*. Tools include early-stage transaction assistance, early-stage support for innovative business models, financial assistance, capacity-building, as well as legal, policy, and regulatory design and reform assistance. In addition, Power Africa drew on its collective expertise in the region to generate a list of 13 early-stage Project Preparation Facilities that currently operate in sub-Saharan Africa's energy sector, including those relevant for off-grid energy access. Contact Power Africa *Beyond the Grid* for more.

	Financing		Policy Dialogue
	Technical assistance		Market Information for Government and Businesses
	Capacity Building for Rural Energy Agencies		Convening
	Partnerships		Loan Guarantees

FOR MORE INFORMATION

General: <http://www.usaid.gov/powerafrica/beyondthegrid>

Gender: www.usaid.gov/powerafrica/toolbox

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